

## Office of the Attorney General Paul G. Summers

## Department of Commerce and Insurance Commissioner Anne Pope

## **NEWS RELEASE**

Office of the Attorney General P.O. Box 20207 Nashville, TN 37202-0207

Department of Commerce and Insurance Division of Consumer Affairs 500 James Robertson Parkway Nashville, TN 37243

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## PSYCHIC NETWORK'S "MISS CLEO" TO CANCEL \$MILLIONS IN UNPAID CHARGES TO CONCLUDE DECEPTIVE PRACTICE CASES

If you called "Miss Cleo" at the Psychic Readers Network, you may be eligible for a refund or have your unpaid service charges canceled as a result of a multi-state agreement. Tennessee Attorney General Paul G. Summers announced today that Tennessee, Kansas, Illinois, Indiana, Pennsylvania and Wisconsin have resolved deceptive practice claims against Access Resource Services, Inc.

The Tennessee judgment regarding unlawful charges and collection efforts was entered on Oct. 28, 2002, against Access Resource Services, Inc., by Williamson County Chancery Court. The agreement requires that the defendant pay \$20,000 as civil forfeitures and related fees and costs to Tennessee. The judgment prohibits further efforts to collect unpaid bills for so-called "psychic services" that the defendant claimed were provided to consumers.

"We appreciate the cooperation and coordination of other attorneys general who jointly stopped this illegal conduct," Attorney General Summers said. "We hope this agreement will send a message to any company who would prey upon Tennesseans by threatening legal action to collect for services they never requested."

Company records show the unpaid services amount to approximately \$2,849,000 since August, 2000 and \$15,900,000 since January 1998. The defendant has also retracted its claim for all such amounts and is prohibited from making any further collection attempts.

As part of the agreement, the defendants must provide restitution to persons who disputed ordering "psychic services" but paid in response to the defendant's collection activities. It is unclear at this time how many Tennessee consumers are eligible for restitution; however, the defendant is prepared to pay out as much as \$15,000 or more if warranted

The judgment provides an injunction against the defendant to ensure it complies with all Tennessee consumer and telemarketing laws. The injunction also prohibits the defendant from advertising but then failing to give consumers a free reading with a psychic when consumers responded to ads; billing consumers for unauthorized 1-900 calls and then refusing to cancel disputed bills; telling consumers that the 1-900 services are "free" or other misleading statements; allowing access by minors; and continuing to call consumers after consumers told them not to call again.

The filing of this judgement concludes the action that began in December, 2001 when the Attorney General filed charges that defendant's television, magazine, direct mail and Internet promotions violate the Tennessee Consumer Protection Act. The complaint also charged that the defendant unlawfully sent bills to persons who did not order or receive these services.

Any person seeking restitution from Access Resource Services, Inc., must file a complaint and documentation regarding payments no later than December 27, 2002. Affected consumers should contact the Tennessee Division of Consumer Affairs immediately at www.state.tn.us/consumer or 615-741-4737 or toll free 800-342-8385.